

## Message Text

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72

ORIGIN ARA-20

INFO OCT-01 ISO-00 COME-00 USIA-15 RSC-01 DRC-01 /038 R

DRAFTED BY ARA/ECP:EMCOHEN:JD

APPROVED BY ARA/ECP:WEKNEPPER

ARA/APU:KNROGERS

COMMERCE:OIM/BIC:WSLYNCH

COMMERCE:OIM/BIC:FMOLNAR

USIA/ILA:FSMABBATT

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R 111914Z FEB 74

FM SECSTATE WASHDC

TO AMEMBASSY ASUNCION

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E.O. 11652: N/A

TAGS: BEXP, AFSP, PA

SUBJECT: FY 1974 COMMERCIAL ACTION PROGRAM (CAP) -PARAGUAY

REF: (A) ASUNCION 4828; (B) ASUNCION 4767;  
(C) ASUNCION 199; (D) ASUNCION 37; (E) ASUNCION 4974

1 ACTION STAFF FOR PARAGUAY CAP HAS BEEN ESTABLISHED AS  
FOLLOWS:

FROM STATE ARA/APU, OFFICER IN CHARGE OF PARAGUAYAN  
AFFAIRS, ROBERT C. FELDER; ARA/ECP, DEPUTY REGIONAL COMMER-  
CIAL COORDINATOR, EDWARD M. COHEN.

FROM COMMERCE - OIM/BIC, DEPUTY ASSISTANT SECRETARY, WIL-  
LIAM S. LYNCH; PARAGUAY COUNTRY SPECIALIST, VICKIE EICHER.

USIA - ILA, PARAGUAY PROGRAM OFFICER, FREDERIC S. MABBATT.

2. ACTION STAFF HAS CAREFULLY REVIEWED EMBASSY'S PROPOSED  
CAP (REFTEL A), AND SUBMITS FOLLOWING COMMENTS:

(A) THE CAP REFLECTS CREATIVE THINKING AND COMMENDABLE  
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RESOURCEFULNESS ON THE EMBASSY'S PART.

(B) RE OBJECTIVE ONE, WE ARE PLEASED TO NOTE THAT THE EMBASSY'S INITIATIVE IN ACTION ONE HAS DRAWN FAVORABLE

RESPONSE ON THIS END, AS EMBASSY IS AWARE (REFTEL C). WE ARE SEEKING TO ELICIT FAVORABLE RESPONSE ON THIS END AS IS ALSO REQUIRED FOR ACTION THREE; USIA IS SEEKING TO IDENTIFY SUITABLE MATERIAL AND FILMS ALREADY AVAILABLE, AND WILL SEEK TO PUT TOGETHER A USEFUL PACKAGE OF THESE AND TRANSMIT TO PAO SOON AS POSSIBLE. RE ACTION FOUR, WE ARE GRATIFIED TO NOTE USEFUL ROLE UNDERTAKEN BY USAID.

(C) RE OBJECTIVE TWO, WE HOPE EMBASSY WILL SEEK TO CARRY OUT THE REQUIRED MARKET-RESEARCH ACTIVITIES BY DEVOTING THE LARGEST POSSIBLE PROPORTION OF THE WORKTIME OF OFFICERS AND LOCAL EMPLOYEES TO THE FUNDAMENTAL TASK OF INTERVIEWING POTENTIAL CUSTOMERS. WE ENCOURAGE EMBASSY TO UTILIZE SUCH INTERVIEWS NOT ONLY TO PRODUCE DESK STUDIES AND OTHER REPORTS (SUCH AS REFTEL D) ON THE MARKETS FOR THESE U.S. PRODUCTS AND SERVICES BUT ALSO, EVEN MORE IMPORTANTLY, FOR DETECTING AND REPORTING SPECIFIC TRADE OPPORTUNITIES. IN ABSENCE OF SPECIFIC TO REPORTS, COMMERCE WOULD FIND IT DIFFICULT TO SOLICIT U.S. FIRMS' PARTICIPAION AS EMBASSY ENVISAGES IN ACTION ONE AND AS EMBASSY DEEMS REQUIRED FOR ACTION TWO. IN OUR VIEW, EMBASSY SHOULD INITIATE ACTION TWO WITHOUT AWAITING EXPRESSIONS OF U.S. INTEREST EITHER INDIRECTLY VIA COMMERCE OR DIRECTLY FROM U.S. FIRMS. MAIN POINT IS THAT NEITHER COMMERCE NOR INDIVIDUAL U.S. FIRMS CAN DO MUCH AS REGARDS OBJECTIVE TWO UNTIL THEY KNOW PRECISELY WHAT AND WHERE THE OPPORTUNITIES ARE--AND FOR THIS KNOWLEDGE, THEY MUST RELY IN THE FIRST INSTANCE ON THE EMBASSY'S TO REPORTS AND DESK STUDIES. INFORMATION SUCH AS THAT PROVIDED IN REFTEL D IS NECESSARY BUT BY NO MEANS SUFFICIENT FOR ELICITING USEFUL RESPONSES ON THIS END.

(D) FURTHER RE OBJECTIVE TWO, WE PROPOSE THE FOLLOWING MODIFICATIONS OF THE TEX UNDER IT IN REFTEL A, IN ACCORDANCE WITH OUR ABOVE COMMENTS: IN ACTION ONE, STRIKE OUT TEXT BEGINNING "USDOC WILL BE REQUESTED..." AND SUBSTITUTE UNCLASSIFIED

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FOR IT: "EFFECTIVE IMMEDIATELY, BEGIN SUBMITTING AS MANY AS POSSIBLE TRADE OPPORTUNITY REPORTS AND DESK STUDIES ON THESE TARGETS OF OPPORTUNITY. COMMERCE TO BRING THESE TO THE ATTENTION OF APPROPRIATE U.S. FIRMS PROMPTLY AND WIDELY AS POSSIBLE." IN ACTION TWO, STRIKE OUT THE PHRASE "DEPENDING ON TIMING OF USDOC RESPONSE TO ACTION ONE."

(E) WE ARE PLEASED INDEED TO LEARN FROM REFTEL E THAT A

U.S. BIDDER IS IN THE LEAD FOR WINNING THE CONTRACT FOR ANOTHER MAJOR PROJECT, INVOLVING AIRPORT EXPANSION. WE PROPOSE THAT EMBASSY THEREFORE ADD A NEW OBJECTIVE TO CAP,

PERHAPS READING: "ENHANCE U.S. BUSINESS PROSPECTS TO PARTICIPATE IN PROJECT FOR CONSTRUCTION AND IMPROVEMENTS AT ASUNCION INTERNATIONAL AIRPORT." IF EMBASSY CONCURS, I SHOULD SEEK TO FORMULATE SPECIFIC ACTIONS TO BE UNDERTAKEN BY EMBASSY AND IN WASHINGTON, PERHAPS ALONG LINES OF ACTIONS UNDER OBJECTIVES ONE AND TWO, AND PERHAPS OTHER ACTIONS, TAILORED TO SUIT THE NEEDS OF THIS NEW OBJECTIVE. NEW OBJECTIVE COULD BE NUMBERED THREE, IN WHICH CASE THE CURRENT OBJECTIVES THREE AND FOUR WOULD BECOME FOUR AND FIVE RESPECTIVELY.

(F) RE OBJECTIVE THREE, ACTION THREE, WE BELIEVE THAT COMMERCE AND USIA ARE IN BETTER POSITION THAN EMBASSY TO AMASS THE BROCHURES AND OTHER SUCH MATERIALS FOR THIS PURPOSE. HOWEVER, AGAIN, SUCH ACTION ON THIS END WOULD BE MUCH FACILITATED BY EMBASSY'S SUBMITTAL OF TRADE LISTS AS PER ACTION ONE, DESK STUDIES AS PER ACTION TWO, AND, MORE DIRECTLY, BY TO REPORTS. WE THEREFORE PROPOSE NEW TEXT FOR ACTION THREE, READING "BY JUNE 30, SUBMIT AS MANY AS POSSIBLE TO REPORTS ON ONE OR MORE AGRICULTURAL EQUIPMENT LINES"; AND CONCOMITANTLY WE PROPOSE ADDING, AS ACTION FOUR: "UPON RECEIPT OF INFORMATION FROM EMBASSY AS PER ACTIONS ONE THROUGH THREE, THE ACTION STAFF WILL SEEK TO INITIATE ACTIONS TO PROVIDE APPROPRIATE BROCHURES AND OTHER MATERIALS TO EMBASSY, AND WILL CONSIDER INITIATING OTHER ACTIONS INCLUDING, IF DEEMED SUITABLE AND FEASIBLE, THE SCHEDULING OF A CATALOG SHOW TO BE HELD IN ASUNCION IN FY 1974."

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(G) RE OBJECTIVE FOUR, WE LOOK FORWARD TO RECEIVING EMBASSY'S RECOMMENDATIONS AS PER ACTION ONE, AND ACTION STAFF WILL PRESS FOR PROMPT AND MOST FAVORABLE POSSIBLE RESPONSES TO THEM. RE ACTION TWO, WE NOTE FROM STATE'S DS-150-A, "ADVICE OF ALLOTMENT," CHANGE NUMBER 2, DATED DECEMBER 28, 1974, THAT STATE HAS INCREASED FY 1974 ALLOTMENTS FOR EMBASSY'S COMMERCIAL LIBRARIES AND NEWS-LETTER. WITH MORE FUNDS THUS AVAILABLE TO EMBASSY FOR REPROGRAMMING, WE ENCOURAGE EMBASSY TO PROCEED TO IMPLEMENT ACTION TWO TO FULLEST FEASIBLE EXTENT. WE SIMILARLY STRONGLY ENDORSE ACTION THREE, RE REPROGRAMMING WORKLOADS AS WELL AS FUNDS. IN THAT CONNECTION, EMBASSY MAY WISH TO CONSIDER ADOPTING MEASURE ALREADY INSTITUTED BY SOME ARA POSTS, NAMELY: ASSIGNING TO SELECTED POLITICAL AND/OR OTHER "NON-COMMERCIAL" OFFICERS RESPONS-

BILITIES FOR DEVELOPING COMMERCIAL INTELLIGENCE AND  
REPORTING ON VARIOUS ECONOMIC SECTORS, ON BASIS OF EACH

SUCH OFFICER HAVING EXCLUSIVE RESPONSIBILITY FOR JUST ONE  
OR A FEW WELL-DEFINED SECTORS; AND PERMITTING EACH SUCH  
OFFICER TO DEVOTE A STIPULATED PORTION OF HIS OR HER WORK-  
TIME (PREFERABLY, CERTAIN MORNINGS AND/OR AFTERNOONS OF  
EACH WEEK) TO VISITING THE GOVERNMENTAL AND QUASI-GOVERN-  
MENTAL DECISION-MAKERS, AND OTHER POTENTIAL CUSTOMERS, IN  
THE RESPECTIVE ASSIGNED SECTORS, AND TO PREPARING REPORTS  
ON HIS OR HER FINDINGS (EITHER AS MEMORANDA TO THE COMMER-  
CIAL ATTACHE, OR, PREFERABLY, AS TO'S AND DESK  
STUDIES FOR SUBMITTAL TO WASHINGTON VIA THE COMMERCIAL  
ATTACHE). IF EMBASSY FINDS SUCH MEASURES FEASIBLE, PLEASE  
REPORT THEM AS NEW ACTIONS TO BE LISTED UNDER THE CURRENT  
OBJECTIVE FOUR OF THE CAP.

3. WE  
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## Message Attributes

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